

# **NEWS RELEASE**



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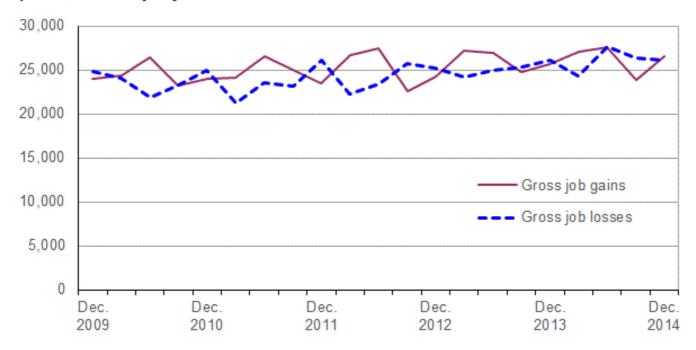
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## Business Employment Dynamics in Alaska – Fourth Quarter 2014

From September 2014 to December 2014 gross job gains in Alaska totaled 26,557, while gross job losses numbered 26,126, the U.S. Bureau of Labor Statistics reported today. Richard J. Holden, the Bureau's regional commissioner, noted that gross job gains exceeded gross job losses by 431. During the previous quarter, gross job losses exceeded gross job gains by 2,413.

Chart 1. Private sector gross job gains and losses in Alaska, December 2009–December 2014 by quarter, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all businesses in the economy. Business Employment Dynamics (BED) statistics track these changes in employment at private business establishments from the third month of one quarter to the third month of the next. Gross job gains are the sum of increases in employment from expansions at existing establishments and the addition of new jobs at opening establishments. Gross job losses are the result of contractions in employment at existing establishments and the loss of jobs at closing establishments. The difference between

the number of gross job gains and the number of gross job losses is the net change in employment. (See the Technical Note for more information.)

The number of gross job gains in Alaska rose by 2,647 between September 2014 and December 2014, after falling more than 3,700 the previous quarter. Gross job losses edged down 197 in the three months ended December 2014, following a decline of more than 1,300 in the three months ended September 2014. During the most recent five-year period, job gains and losses in the state peaked in June 2014 when more than 27,000 jobs were each added and lost. (See chart 1.)

Chart 2. Private sector gross job gains and losses as a percent of employment, United States and Alaska, December 2009–December 2014 by quarter, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

Gross job gains represented 10.5 percent of private sector employment in Alaska in the quarter ended December 2014, while nationally gross job gains accounted for 6.6 percent of private employment. (See <u>chart 2</u>.) Alaska's rate of gross job losses as a percent of private sector employment was 10.3 percent, compared to the national rate of 5.6 percent. The rate of gross job gains in Alaska has exceeded that of the nation by at least 2.8 percentage points during the past five years, while Alaska's rate of gross job losses has exceeded the national rate by at least 3.1 percentage points during the same time period.

During the fourth quarter of 2014, gross job gains exceeded gross job losses in three industry sectors in Alaska. Within construction, gross job gains exceeded gross jobs losses by 282. While over 3,200 jobs were lost in closing and contracting establishments in the industry, more than 3,500 jobs were created by opening and expanding establishments in the three months ended in December 2014. In the leisure and hospitality industry, approximately 5,400 jobs were created in opening and expanding establishments and more than 5,200 jobs were lost in closing and contracting establishments. Within professional and business services, gross job gains exceeded gross job losses by 138. (See table 1.)

In contrast, gross job losses exceeded gross job gains in four industry sectors. Within transportation and warehousing, gross job losses exceeded gross job gains by 711. Among the three other sectors—education and health services, other services, and retail trade—gross job losses exceeded gross job gains by less than 500.

#### Additional statistics and other information

BED data for the states have been included in <u>table 2</u> of this release. For more information on the Business Employment Dynamics data, visit the BED web site at www.bls.gov/bdm/.

The County Employment and Wages relase for first quarter 2015 is scheduled to be released on Thursday, November 18, 2015.

### Changes to Business Employment Dynamics (BED) Data

With the processing of fourth quarter 2014 BED data, BLS implemented a new statistical matching process used in the longitudinal linking of Quarterly Census of Employment and Wages (QCEW) data. Tabulations from this quarter forward will reflect this new methodology. For additional details on this new methodology, please see the article "A Simplified Approach to Administrative Record Linkage in the Quarterly Census of Employment and Wages" available at: <a href="https://www.bls.gov/osmr/pdf/st140020.pdf">www.bls.gov/osmr/pdf/st140020.pdf</a>.

#### **Technical Note**

The Business Employment Dynamics (BED) data are a product of a federal-state cooperative program known as Quarterly Census of Employment and Wages (QCEW), or the ES-202 program. The BED data are compiled from existing QCEW records. The QCEW reports are sent by the State Employment Security Agencies (SESAs) to BLS and form the basis of the Bureau's QCEW program and establishment universe sampling frame. These reports are also used to produce the QCEW data on total employment and wages. Other important Bureau uses of the QCEW reports are in the Current Employment Statistics (CES) program. The CES program produces monthly estimates of employment, net changes, and earnings by detailed industry.

In the BED program, the QCEW records are linked across quarters to provide a longitudinal history for each establishment. The linkage process allows the tracking of net employment changes at the establishment level, which in turn allows the estimation of jobs gained at opening and expanding establishments and jobs lost at closing and contracting establishments.

The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all businesses in the economy. BED statistics track these changes in employment at private business establishments from the third month of one quarter to the third month of the next. Gross job gains are the sum of increases in employment from expansions at existing establishments and the addition of new jobs at opening establishments. Gross job losses are the result of contractions in employment at existing establishments and the loss of jobs at closing establishments. The difference between the number of gross jobs gained and the number of gross jobs lost is the net change in employment.

Gross job gains and gross job losses are expressed as rates by dividing their levels by the average of employment in the current and previous quarters. The rates are calculated for the components of gross job gains and gross job losses and then summed to form their respective totals. These rates can be added and

subtracted just as their levels can. For instance, the difference between the gross job gains rate and the gross job losses rate is the net growth rate.

The formal definitions of employment changes are as follows:

*Openings*. These are either establishments with positive third month employment for the first time in the current quarter, with no links to the prior quarter, or with positive third month employment in the current quarter following zero employment in the previous quarter.

*Expansions*. These are establishments with positive employment in the third month in both the previous and current quarters, with a net increase in employment over this period.

*Closings*. These are either establishments with positive third month employment in the previous quarter, with no employment or zero employment reported in the current quarter.

*Contractions*. These are establishments with positive employment in the third month in both the previous and current quarters, with a net decrease in employment over this period.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Private sector gross job gains and losses by industry, Alaska, seasonally adjusted

			gains and jo			Gross job gains and job losses as a percent of employment (3 months ended)					
Category	Dec. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014	Dec. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014	
Total private (1)											
Gross job gains	25,599	27,111	27,613	23,910	26,557	10.1	10.8	10.9	9.4	10.5	
At expanding establishments	21,459	21,911	22,269	18,508	21,950	8.5	8.7	8.8	7.3	8.7	
At opening establishments	4,140	5,200	5,344	5,402	4,607	1.6	2.1	2.1	2.1	1.8	
Gross job losses	26,151	24,286	27,672	26,323	26,126	10.4	9.6	10.9	10.4	10.3	
At contracting establishments	21,444	20,532	23,557	22,453	21,371	8.5	8.1	9.3	8.9	8.4	
At closing establishments	4,707	3,754	4,115	3,870	4,755	1.9	1.5	1.6	1.5	1.9	
Net employment change (2)	-552	2,825	-59	-2,413	431	-0.3	1.2	0.0	-1.0	0.2	
Construction											
Gross job gains	3,859	4,432	3,420	2,927	3,554	22.8	24.5	19.3	17.5	21.0	
At expanding establishments	3,383	3,201	2,837	2,348	2,883	20.0	17.7	16.0	14.0	17.0	
At opening establishments	476	1,231	583	579	671	2.8	6.8	3.3	3.5	4.0	
Gross job losses	3,306	3,264	4,698	3,284	3,272	19.5	18.0	26.5	19.6	19.3	
At contracting		·									
establishments At closing	2,696	2,702	4,273	2,718	2,627	15.9	14.9	24.1	16.2	15.5	
establishments	610	562	425	566	645	3.6	3.1	2.4	3.4	3.8	
Net employment change	553	1,168	-1,278	-357	282	3.3	6.5	-7.2	-2.1	1.7	
Retail tradeGross job gains	2,159	2,974	2,690	2,542	2,436	5.9	8.2	7.3	6.9	6.7	
At expanding establishments	1,861	2,695	2,291	2,117	2,085	5.1	7.4	6.2	5.7	5.7	
At opening	.,00.	2,000	_,_0.	_,	2,000	0		0.2	0	· · · ·	
establishments	298	279	399	425	351	0.8	0.8	1.1	1.2	1.0	
Gross job losses	2,613	2,366	2,411	2,337	2,928	7.2	6.5	6.6	6.3	7.9	
At contracting establishments	2,127	2,152	2,198	2,075	2,476	5.9	5.9	6.0	5.6	6.7	
At closing establishments	486	214	213	262	452	1.3	0.6	0.6	0.7	1.2	
Net employment change	-454	608	279	205	-492	-1.3	1.7	0.7	0.6	-1.2	
Transportation and warehousing											
Gross job gains	1,783	1,937	2,349	1,870	1,621	9.2	10.2	12.1	9.5	8.4	
At expanding establishments	1,589	1,481	1,996	1,437	1,335	8.2	7.8	10.3	7.3	6.9	
At opening establishments	194	456	353	433	286	1.0	2.4	1.8	2.2	1.5	
Gross job losses	2,380	2,249	1,747	1,827	2,332	12.2	11.7	9.1	9.3	12.0	
At contracting establishments	1,970	2,068	1,426	1,553	1,905	10.1	10.8	7.4	7.9	9.8	
At closing establishments	410	181	321	274	427	2.1	0.9	1.7	1.4	2.2	
Net employment change	-597	-312	602	43	-711	-3.0	-1.5	3.0		-3.6	
go	007	012	002	70	, , , ,	0.0	1.0	0.0	0.2	0.0	

Table 1. Private sector gross job gains and losses by industry, Alaska, seasonally adjusted - Continued

			gains and jo			Gross job gains and job losses as a percent of employment (3 months ended)					
Category	Dec. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014	Dec. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014	
Professional and											
business services											
Gross job gains	2,884	3,031	2,696	2,805	3,031	9.6	10.0	9.0	9.4	10.1	
At expanding											
establishments	2,311	2,554	2,135	2,261	2,341	7.7	8.4	7.1	7.6	7.8	
At opening											
establishments	573	477	561	544	690	1.9	1.6	1.9	1.8	2.3	
Gross job losses	2,798	3,352	3,141	2,643	2,893	9.3	11.0	10.5	9.0	9.6	
At contracting											
establishments	2,285	2,847	2,611	2,153	2,211	7.6	9.3	8.7	7.3	7.3	
At closing											
establishments	513	505	530	490	682	1.7	1.7	1.8	1.7	2.3	
Net employment											
change ''	86	-321	-445	162	138	0.3	-1.0	-1.5	0.4	0.5	
Education and health											
services											
Gross job gains	2,017	1,600	1,826	1,842	1,998	4.3	3.5	4.0	4.0	4.4	
At expanding	4 007	4 45 4	4 000	4 500	4 740	0.5	0.0	0.5		0.0	
establishments	1,637	1,454	1,609	1,569	1,740	3.5	3.2	3.5	3.4	3.8	
At opening	200	1.10	047	070	050	0.0	0.0	0.5	0.0	0.0	
establishments	380	146	217	273	258	0.8	0.3	0.5	0.6	0.6	
Gross job losses	2,037	1,946	2,050	1,703	2,224	4.4	4.3	4.5	3.7	4.8	
At contracting establishments	1,657	1,360	1,612	1,508	1,615	3.6	3.0	3.5	3.3	3.5	
	1,007	1,360	1,012	1,506	1,015	3.0	3.0	3.3	3.3	3.5	
At closing establishments	380	586	438	195	609	0.8	1.3	1.0	0.4	1.3	
Net employment	300	300	430	190	003	0.0	1.5	1.0	0.4	1.5	
change (2)	-20	-346	-224	139	-226	-0.1	-0.8	-0.5	0.3	-0.4	
Leisure and	20	0.10		100	220	0.1	0.0	0.0	0.0	0.1	
hospitality											
Gross job gains	4,589	5,545	5,291	4,171	5,391	13.7	16.2	15.2	12.1	15.6	
At expanding	.,	-,	-,	.,	-,						
establishments	3,453	4,656	4,022	3,161	4,309	10.3	13.6	11.6	9.2	12.5	
At opening											
establishments	1,136	889	1,269	1,010	1,082	3.4	2.6	3.6	2.9	3.1	
Gross job losses	5,188	3,416	6,147	4,875	5,206	15.4	10.0	17.7	14.1	15.1	
At contracting											
establishments	3,980	2,639	4,892	3,928	4,129	11.8	7.7	14.1	11.4	12.0	
At closing											
establishments	1,208	777	1,255	947	1,077	3.6	2.3	3.6	2.7	3.1	
Net employment											
change (2)	-599	2,129	-856	-704	185	-1.7	6.2	-2.5	-2.0	0.5	
Other services (3)											
Gross job gains	826	922	1,017	981	841	8.4	9.4	10.4	9.8	8.5	
At expanding											
establishments	682	703	813	850	715	6.9	7.2	8.3	8.5	7.2	
At opening			00.4	404	400						
establishments	144	219	204	131	126	1.5	2.2	2.1	1.3	1.3	
Gross job losses	910	895	844	904	1,084	9.3	9.2	8.6	9.1	11.0	
At contracting establishments	740	000	687	745	869	7.0	7.0	7.0	7.	0.0	
	743	682	087	745	809	7.6	7.0	7.0	7.5	8.8	
At closing establishments	167	213	157	159	215	1.7	2.2	1.6	1.6	2.2	
GSTADIISHIHEHTS	107	213	137	108	210	1.7	۷.۷	1.0	1.0	۷.۷	

Table 1. Private sector gross job gains and losses by industry, Alaska, seasonally adjusted - Continued

Gross job gains and job losses (3 months ended)						Gross job gains and job losses as a percent of employment (3 months ended)				
Category	Dec. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014	Dec. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014
Net employment change (2)	-84	27	173	77	-243	-0.9	0.2	1.8	0.7	-2.5

<sup>(1)</sup> Includes unclassified sector not shown separately.
(2) The net employment change is the difference between total gross job gains and total gross job losses. See the Technical Note for further information.

<sup>(3)</sup> Except public administration.

Table 2. Private sector gross job gains and losses as a percent of total employment by state, seasonally adjusted

			as a percent nonths ende	of employm d)	ent	Gross job losses as a percent of employment (3 months ended)				
Category	Dec. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014	Dec. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014
United States (1)	6.4	6.0	6.5	6.2	6.6	5.8	5.7	5.6	5.8	5.6
Alabama	6.0	5.6	5.9	5.9	6.0	5.3	5.7	5.5	5.4	5.2
Alaska	10.1	10.8	10.9	9.4	10.5	10.4	9.6	10.9	10.4	10.3
Arizona	6.7	5.7	6.0	6.4	7.0	5.4	6.0	6.0	5.4	5.2
Arkansas	6.0	5.8	5.6	5.9	6.5	5.5	5.0	4.9	5.3	4.9
California	7.3	6.8	7.0	7.0	7.3	6.3	6.1	6.4	6.0	6.5
Colorado	6.9	6.7	7.3	7.3	7.0	6.1	5.9	6.1	6.2	6.1
Connecticut	5.3	5.1	5.6	5.2	5.4	5.4	5.0	4.8	5.3	5.1
Delaware	6.6	6.3	6.5	6.0	7.0	5.8	5.9	5.2	6.1	5.4
District of Columbia	5.8	5.9	6.4	5.7	5.3	5.4	5.5	5.7	5.5	5.5
Florida	7.0	6.5	7.2	7.2	7.1	6.0	5.8	6.2	5.9	6.0
Georgia	6.8	6.5	6.8	6.8	7.0	5.8	5.6	5.9	5.9	5.6
Hawaii	5.4	4.8	4.9	5.2	5.2	4.5	5.1	5.1	4.7	4.4
Idaho	8.3	8.4	7.7	7.5	7.9	7.3	7.2	8.0	7.3	6.5
Illinois	5.8	5.8	6.1	5.7	6.2	5.3	5.5	5.5	5.8	5.5
Indiana	6.1	5.3	5.9	5.3	6.3	5.1	5.5	5.0	5.3	5.0
lowa	6.0	5.8	6.2	5.7	6.1	5.5	5.5	5.7	5.7	5.6
Kansas	6.2	5.7	6.1	5.7	6.2	5.3	5.5	5.7	5.8	5.3
Kentucky	6.5	6.1	6.2	6.1	6.6	5.4	5.9	5.5	5.4	5.3
Louisiana	6.7	6.7	6.6	6.6	6.8	6.1	5.8	6.4	5.8	5.8
Maine	7.0	6.7	7.8	6.7	7.1	7.5	7.0	6.5	7.1	7.2
Maryland	6.4	5.9	6.6	6.5	6.6	6.3	5.8	5.8	6.2	6.2
Massachusetts	5.4	5.3	6.3	5.6	6.0	5.3	5.0	5.3	5.5	5.3
Michigan	6.0	5.5	6.4	5.5	6.2	5.6	5.1	5.4	5.8	5.2
Minnesota	5.6	5.3	6.5	5.5	5.8	5.6	5.7	5.1	5.9	5.4
Mississippi	6.6	5.7	6.1	6.2	6.8	5.6	5.9	6.7	6.0	5.2
Missouri	6.0	5.6	6.0	5.6	6.3	5.5	5.5	5.3	5.6	5.1
Montana	8.2	7.2	8.2	8.0	8.5	7.5	7.9	7.7	8.1	8.0
Nebraska	6.3	5.9	6.0	6.0	6.2	5.7	5.6	6.0	5.7	5.6
Nevada	6.3	6.6	6.7	6.6	6.6	5.3	5.2	5.6	5.5	5.3
New Hampshire	6.8	5.7	6.7	5.9	6.9	5.8	5.9	6.1	6.3	6.0
New Jersey	6.4 6.9	5.9 6.3	6.9 6.6	6.3 6.5	6.9	6.4	6.2	5.8 6.1	6.3	6.1
New Mexico New York	6.6	6.2	6.6	6.4	7.0 6.5	6.4 6.0	6.4 6.0	5.7	6.1 6.0	6.0 5.8
North Carolina	6.4	5.9	6.4	6.1	6.5	5.7	5.6	5.7	5.8	5.6
North Dakota	8.2	8.6	7.6	8.2	8.7	6.9	6.8	7.0	6.7	6.7
Ohio	6.0	5.6	6.1	5.5	6.1	5.3	5.6	5.3	5.5	5.1
Oklahoma	6.2	6.1	6.2	6.1	6.7	6.2	6.0	6.1	5.5	5.5
Oregon	6.9	7.0	6.9	7.0	7.1	6.6	6.1	6.4	6.0	6.3
Pennsylvania	5.4	5.2	5.6	5.2	5.6	5.2	4.9	4.8	5.1	4.8
Rhode Island	6.2	5.7	6.5	5.9	6.4	5.7	5.7	5.5	5.8	5.6
South Carolina	6.7	6.2	6.5	6.1	6.8	5.5	5.8	5.7	5.8	5.0
South Dakota	6.9	6.3	6.4	6.2	6.3	6.0	6.1	6.0	6.0	5.8
Tennessee	6.3	5.4	5.6	5.7	6.3	4.7	5.3	5.0	5.0	4.7
Texas	6.1	5.9	6.0	6.0	6.4	5.3	5.1	4.9	5.1	4.9
Utah	7.4	6.5	7.0	7.1	7.1	6.1	6.0	6.6	6.0	5.8
Vermont	7.6	6.7	7.4	6.8	7.5	6.6	6.8	6.9	7.2	6.7
Virginia	5.7	5.3	6.2	5.6	5.8	5.6	5.5	5.5	5.8	5.5
Washington	6.9	6.6	7.3	7.0	7.1	6.3	5.9	5.5	6.0	5.9
West Virginia	6.5	6.3	6.6	6.1	6.6	6.4	6.7	6.4	6.6	6.0
Wisconsin	5.7	5.3	5.9	5.3	5.7	5.2	5.1	5.0	5.6	5.1
Wyoming	9.4	8.4	8.7	8.3	9.2	8.1	8.0	8.2	8.4	8.1

Table 2. Private sector gross job gains and losses as a percent of total employment by state, seasonally adjusted - Continued

	Gross job gains as a percent of employment (3 months ended)						Gross job losses as a percent of employment (3 months ended)				
Category	Dec. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014	Dec. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014	
Puerto RicoVirgin Islands	6.6 5.5	-	5.6 6.1	5.6 6.3	6.5 6.2	5.2 6.0	6.4 6.1	6.3 6.4	5.9 5.5	5.0 5.5	

<sup>(1)</sup> Totals for the United States do not include data for Puerto Rico or the Virgin Islands.